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Gartner Says by 2017, Mobile Users Will Provide Personalised Data Streams to More Than 100 Apps and Services Every Day

Mobile Apps Will Be a Vehicle for Cognizant Computing

STAMFORD, Conn., 22 January, 2014 — By 2017, mobile apps will be downloaded more than 268 billion times, generating revenue of more than \$77 billion and making apps one of the most popular computing tools for users across the globe, according to Gartner, Inc. As a result, Gartner predicts that mobile users will provide personalised data streams to more than 100 apps and services every day.

"Mobile apps have become the official channel to drive content and services to consumers. From entertainment content to productivity services, from quantified-self to home automation, there is an app for practically anything a connected consumer may want to achieve," said Brian Blau, research director at Gartner. "This connection to consumer services means users are constantly funnelling data through mobile apps. As users continue to adopt and interact with apps, it is their data — what they say, what they do, where they go — that is transforming the app interaction paradigm."

Currently, apps often provide an opportunity for brands to reach and engage with customers in a direct way, and therefore data coming from the user is often treated as a resource. This is especially true of free apps, which in 2013 account for 92 per cent of app downloads. App users are providing troves of data and often accept advertising or data connectivity in exchange for access to the app.

Gartner said that brands and businesses are already using mobile apps as a primary component of their user engagement strategies, and as the use of mobile devices, including wearable devices, expands into other areas of consumer and business activities, mobile apps will become even more significant.

"In the next three to four years, apps will no longer be simply confined to smartphones and tablets, but will impact a wider set of devices, from home appliances to cars and wearable devices," said Mr Blau. "By 2017, Gartner predicts that wearable devices will drive 50 per cent of total app interactions."

Wearable devices will use mobile apps as their conduit for data exchange and user interface, because many of them will have few or no user interface capabilities. Offloading that responsibility to the mobile device means the wearable devices will depend on apps for all types of user input or output, configuration, content creation and consumption, and in some cases, basic connectivity.

"While wearable devices will not fully rely on, or be a slave to, mobile devices, it is a way for manufacturers to keep these devices small and efficient, therefore significantly reducing device costs in favour of using apps, which are more easily maintained and updated," said Mr Blau. "Considering their underlying service, most wearable devices need some type of user interface. Taking the example of a fitness-tracking device, ultimately its onboard data will need to be uploaded into the cloud, processed, and then analysed in reporting back to the user. Apps are an obvious and convenient platform to enable great products and services to be developed."

Mobile apps are often a vehicle for cognizant computing, in which the data gathered through the use of the apps and the analytics around it are becoming more important in both volume and value. In fact, it can be so sophisticated that through their solution providers, consumer brands know a lot about any individual consumer, such as the consumer's demographic data, location, preferences, habits, and even his or her social circle, in some cases. As a result, Gartner predicts that by 2015, cognizant computing will be a key enabler in smart home solutions.

"Cognizant computing takes intelligent actions on behalf of users based on their historical data, preferences and rules," said Sandy Shen, research director at Gartner. "It can predict user needs and complete tasks without users initiating the action or interfering with the service. It can take the very simplistic format of completing a recurring event such as to turn on the water heater at a preset time, or the more sophisticated format of calling the rescue services and connecting with the doctor when an emergency occurs.

Cognizant computing can play a meaningful role at home because home settings are stable with relatively fixed equipment, and the user behaviour there is routine and predictable. Tasks tend to be linear, in that each stays in its own boundaries with little interactions among different disciplines. For example, the entertainment services are unlikely to need to interact with the healthcare or home management services. Also, the amount of equipment or service data to call upon is relatively small compared with an outdoor environment, where the surrounding conditions and user intentions are more diverse.

Large service providers such as Google, Amazon, Facebook and Apple are likely to have a head start in this market due to the relationship they already have with consumers, which provides them with a large repository of user data that they can analyse and predict — a key asset in cognizant computing. In addition, consumers also trust these brands to manage their personal data — another key aspect in cognizant computing, whereas newcomers will have to build these relationships from scratch. Smart home solutions will likely span across various brands and platforms in order to become "intelligent" and deliver good user experience. Those that are restricted to a single brand are likely to lose the competitive edge.

More detailed analysis is available in the report "Predicts 2014: Apps, Personal Cloud and Data Analytics Will Drive New Consumer Interactions." The report is available on Gartner's web site at <http://www.gartner.com/document/2628016>.

Gartner's Special Report "Predicts 2014" features 67 reports arming IT leaders with insights and actions to begin exploring the Digital Industrial Revolution now. The special report can be viewed at <http://www.gartner.com/technology/research/predicts/> and includes links to reports and video commentary that examine the impact of big data on organisations.

Gartner analysts will provide additional analysis on these predictions during the Gartner webinar, "Gartner Predicts a Disruptive IT Future" on 29 January at 1pm and 4pm GMT. To register for this complimentary webinar, please visit <http://my.gartner.com/webinar/detail/resId=2628928?srcId=1-2994690285>.

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